

### **Remarks**

Applicant respectfully requests reconsideration and allowance of the subject application. Claims 1-22, 24-36, 38-46, 50, and 52-57 are pending in this application.

### **Finality Improper**

Applicant respectfully submits that the finality of the April 11, 2003 Office Action is improper, and respectfully requests that the finality of the April 11, 2003 Office Action be removed.

MPEP §706.07(a) states (emphasis added):

Under present practice, second or any subsequent actions on the merits shall be final, except where the examiner introduces a new ground of rejection that is neither necessitated by applicant's amendment of the claims nor based on information submitted in an information disclosure statement filed during the period set forth in 37 CFR 1.97(c) with the fee set forth in 37 CFR 1.17(p).

Claim 16 was indicated in the previous Office Action (mailed July 18, 2002) as being rejected under 35 U.S.C. §102 as being anticipated by Owashi et al. (US 6,363,210). In the present Final Office Action (mailed April 11, 2003), Claim 16 is rejected under 35 U.S.C. §103 as being unpatentable over Owashi et al. (US 6,363,210) and Kim et al. (US 5,799,081). Claim 16 was not amended in response to the rejection of claim 16 in the July 18, 2002 Office Action, and is not rejected based on information submitted in an information disclosure statement filed during the period set forth in 37 CFR 1.97(c) with the fee set forth in 37 CFR 1.17(p). Thus, Applicant respectfully submits that the April 11, 2003 Office Action introduces a new ground of rejection that is neither necessitated by applicant's

amendment of the claims nor based on information submitted in an information disclosure statement filed during the period set forth in 37 CFR 1.97(c) with the fee set forth in 37 CFR 1.17(p), and thus that the April 11, 2003 Office Action should not be made final.

Applicant respectfully requests that the finality of the April 11, 2003 Office Action be removed.

**35 U.S.C. § 103**

Claims 9-12, 16, 18, 19, and 21 stand rejected under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 6,363,210 to Owashi et al. (hereinafter "Owashi") in view of U.S. Patent No. 5,799,081 to Kim et al. (hereinafter "Kim"). Applicant respectfully submits that claims 9-12, 16, 18, 19, and 21 are not obvious over Owashi in view of Kim.

In the April 11 Final Office Action at page 3 it was asserted that:

However, Owashi fails to teach encrypting of media content.

Kim teaches an integrated receiver/decoder (IRD) (20) comprising a card reader interface (23) to read data/information from an access card (22) or a smart card wherein the access card's permission based on the user, subscriber, selected channel is required for encrypting/encoding the digital MPEG video content to format/convert into NTSC signal having a horizontal and vertical sync signals and a Macrovision-mode copy protection signals wherein the access card is designed to use with a particular household that is for receiving the DirectTV's satellite broadcasting signal (see Fig. 4; col. 2, line 20-col. 3, line 42).

In contrast, **claim 9** is directed to a smart card comprising:

a key, associated with one particular household, to be used to encrypt and decrypt media content that is associated with the one particular household and that is to be rendered at the one particular

household, but not to encrypt and decrypt media content associated with other households; and  
 a data storage section to store data that is expected to be of value to a user.

Applicant respectfully submits that Kim does not disclose or suggest a key to be used to encrypt media content that is associated with the one particular household and that is to be rendered at the one particular household, but not to encrypt media content associated with other households as recited in claim 9.

Applicant respectfully submits that Kim does not disclose or suggest a key that is associated with one particular household, the key to be used to encrypt media content associated with that one particular household but not to encrypt media content associated with other households. Kim does disclose "an access card 22 required for conditional access (CA) for conditional reception" (see, col. 2, lines 28-29). However, nowhere does Kim discuss that the access card 22 is tied to a particular household and that it cannot be used with other households. As there is no such discussion in Kim, Applicant respectfully submits that Kim cannot disclose or suggest a key that is associated with one particular household, the key to be used to encrypt media content associated with that one particular household but not to encrypt media content associated with other households as recited in claim 9.

Furthermore, Applicant respectfully submits that Kim does not disclose or suggest key-based encryption, much less a key to encrypt media content as recited in claim 9. Kim does state that an "analog copy protection waveform is a signal which is severely distorted when inserted into the analog NTSC waveform and directly coupled to the analog TV" (see, col. 2, lines 13-15). However, this copy protection is simply adding a waveform to the analog video output (see, for

example, col. 3, lines 11-13), not key-based encryption. There is no discussion of key-based encryption in the description of the analog copy protection waveform in the cited portion of Kim.

Kim also discloses "an access card 22 required for conditional access (CA) for conditional reception" (see, col. 2, lines 28-29), and that the access card 22 "receives CA-related information through a broadcast bit stream and telephone line, that is, a telco MODEM, in order to decide whether a user, subscriber, - selected channel can be viewed or not and to collect its subscription fee" (see, col. 2, lines 35-40). However, Applicant respectfully submits that the access card 22 discussed in Kim is used for conditional access – merely disclosing conditional access does not disclose or suggest key-based encryption. There is nothing in Kim to suggest that the access card 22 is used to encrypt media content, much less perform key-based encryption.

Therefore, it can be seen that the cited portions of Kim do not disclose or suggest a key to encrypt media content as recited in claim 9.

As is stated in the April 11 Final Office Action, Owashi fails to teach encrypting of media content. As such, Applicant respectfully submits that Owashi cannot cure these deficiencies of Kim. Thus, for at least these reasons, Applicant respectfully submits that claim 9 is allowable over Owashi in view of Kim.

Given that **claims 10-12** depend from claim 9, Applicant respectfully submits that claims 10-12 are likewise allowable over Owashi in view of Kim for at least the reasons discussed above with reference to claim 9.

With respect to **claim 16**, Applicant respectfully submits that Owashi in view of Kim does not disclose or suggest encrypting, at the user's home, the media

content only if the smart card is authorized to encrypt the media content as recited in claim 16. As discussed above with respect to claim 9, Owashi does not teach encrypting media content, and Kim discloses an access card 22, but there is nothing in Kim to suggest that the access card 22 is used to encrypt media content, much less encrypting, at the user's home, the media content only if the smart card is authorized to encrypt the media content as recited in claim 16. For at least these reasons, Applicant respectfully submits that claim 16 is allowable over Owashi in view of Kim.

Given that **claims 18 and 19** depend from claim 16, Applicant respectfully submits that claims 18 and 19 are likewise allowable over Owashi in view of Kim for at least the reasons discussed above with reference to claim 16.

With respect to **claim 21**, claim 21 is directed to a method of decrypting media content, the method comprising:

checking whether a portable integrated circuit device is authorized to decrypt the media content, wherein the portable integrated circuit device stores a decryption key and additional data;

determining that the portable integrated circuit device is authorized to decrypt the media content only if data other than electronic money is stored as the additional data on the portable integrated circuit device, wherein the data is expected to be of value to a user, and wherein the data is not used to decrypt the media content; and

decrypting the media content only if the portable integrated circuit device is authorized to decrypt the media content.

In response to Applicant's previous assertion that Owashi does not disclose or suggest determining that the portable integrated circuit device is authorized to decrypt the media content only if data other than electronic money is stored as the additional data on the portable integrated circuit device, wherein the data is not used to decrypt the media content as recited in claim 21, the Kim reference has

been cited (see, April 11 Final Office Action at page 9). It was asserted in the April 11 Final Office Action that the "Examiner respectfully provides Kim reference wherein the access card of Kim is comprising the information other than electronic money such as user, subscriber, selected channels, etc. as discussed in paragraph 3 above" (see, April 11 Final Office Action at page 9).

The cited portions of Kim discuss an access card 22, and state, at col. 2, lines 35-40:

Access card 22, whose size is similar to that of a general credit card, has a built-in IC. With this, the card receives CA-related information through a broadcast bit stream and telephone line, that is, a telco MODEM, in order to decide whether a user, subscriber, - selected channel can be viewed or not and to collect its subscription fee."

The cited portions of Kim further state, at col. 3, lines 25-27:

More specifically, CA unit 37, included in smart card 22, is made up of smart card 38 for CA and microcomputer 39 operated with CA software.

Applicant respectfully submits that this disclosure of access card 22 in Kim does not disclose or suggest determining that the portable integrated circuit device is authorized to decrypt the media content only if data other than electronic money is stored as the additional data on the portable integrated circuit device, wherein the data is not used to decrypt the media content as recited in claim 21.

There is no discussion in Kim of the access card 22 storing a decryption key and additional data. As discussed above, Kim mentions a CA unit 37 and microcomputer 39 included in the card 22, but Applicant respectfully submits that such a unit and microcomputer does not disclose or suggest a decryption key and additional data as recited in claim 21. Furthermore, merely disclosing that access

card 22 receives CA-related information in order to decid whether a user, subscriber, -selected channel can be viewed or not and to collect its subscription fee does not disclose or suggest both a decryption key and additional data as recited in claim 21. There is no discussion in Kim of how this decision is made by access card 22, much less any discussion that this decision made by access card 22 involves both a decryption key and additional data.

As there is no portable integrated circuit device that stores both a decryption key and additional data in Kim, Applicant respectfully submits that Kim cannot disclose or suggest making any determination based on such additional data, much less determining that the portable integrated circuit device is authorized to decrypt the media content only if data other than electronic money is stored as the additional data on the portable integrated circuit device, wherein the data is not used to decrypt the media content as recited in claim 21.

Thus, Applicant respectfully submits that Kim does not cure the deficiencies of Owashi as asserted in the April 11 Final Office Action, and further respectfully submits that claim 21 is allowable over Owashi in view of Kim.

Claims 1, 2, 5-8, 13, 14, 26-32, 34-45, 50, 52, 53, and 55-57 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Owashi in view of Kim and further in view of U.S. Patent No. 5,666,412 to Handelman et al. (hereinafter "Handelman") in view of U.S. Patent No. 6,378,130 to Adams (hereinafter "Adams"). Applicant respectfully submits that claims 1, 2, 5-8, 13, 14, 26-32, 34-45, 50, 52, 53, and 55-57 are not obvious over Owashi in view of Kim and further in view Handelman and Adams.

With respect to **claim 1**, Applicant respectfully submits that, similar to the discussion of claim 9 above, Owashi in view of Kim does not disclose or suggest a key, associated with a household, to be used to encrypt and decrypt media content at the household that is associated with the household as recited in claim 1. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claim 1 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

Given that **claims 2, 5-8, and 55-57** depend from claim 1, Applicant respectfully submits that claims 2, 5-8, and 55-57 are likewise allowable over Owashi in view of Kim and further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 1.

With respect to **claims 13 and 14**, claims 13 and 14 depend from claim 9, and Applicant respectfully submits that claims 13 and 14 are likewise allowable over Owashi in view of Kim and further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 1.

With respect to **claim 26**, Applicant respectfully submits that, similar to the discussion of claim 9 above, Owashi in view of Kim does not disclose or suggest an encryption module coupled to receive a multimedia presentation and encrypt, at the user's home, the multimedia presentation as recited in claim 26. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons, Applicant



respectfully submits that claim 26 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

Given that **claims 27 and 28** depend from claim 26, Applicant respectfully submits that claims 27 and 28 are likewise allowable over Owashi in view of Kim and further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 26.

With respect to **claim 29**, Applicant respectfully submits that, similar to the discussion of claim 9 above, Owashi in view of Kim does not disclose or suggest encrypting, at the household, the received media content based on a household identifier corresponding to a smart card, wherein the household identifier is associated with one household as recited in claim 29. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claim 29 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

Given that **claims 30-32** depend from claim 29, Applicant respectfully submits that claims 30-32 are likewise allowable over Owashi in view of Kim and further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 29.

With respect to **claim 34**, Applicant respectfully submits that, similar to the discussion of claim 9 above, Owashi in view of Kim does not disclose or suggest allowing access to the media content if the rating corresponding to the media content does not exceed the rating associated with the smart card, wherein the

allowing access comprises allowing the media content to be encrypted, at a user's home, for subsequent processing as recited in claim 34. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claim 34 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

Given that **claims 35 and 36** depend from claim 34, Applicant respectfully submits that claims 35 and 36 are likewise allowable over Owashi in view of Kim and further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 34.

With respect to **claim 38**, Applicant respectfully submits that, similar to the discussion of claim 9 above, Owashi in view of Kim does not disclose or suggest controlling, at the household, encryption of the received media content based on a household identifier corresponding to a smart card as recited in claim 38. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claim 38 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

Given that **claim 39** depends from claim 38, Applicant respectfully submits that claim 39 is likewise allowable over Owashi in view of Kim and further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 38.

With respect to **claim 40**, Applicant respectfully submits that, similar to the discussion of claim 9 above, Owashi in view of Kim does not disclose or suggest a key, associated with one particular household, to be used to encrypt and decrypt media content associated with the one particular household at the one particular household but not to encrypt and decrypt media content associated with other households as recited in claim 40. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claim 40 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

Given that **claims 41-44** depend from claim 40, Applicant respectfully submits that claims 41-44 are likewise allowable over Owashi in view of Kim and further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 40.

With respect to **claim 45**, Applicant respectfully submits that, similar to the discussion of claim 9 above, Owashi in view of Kim does not disclose or suggest maintaining, on an integrated circuit card, a key to be used to encrypt and decrypt media content associated with one particular household at the one particular household but not to encrypt and decrypt media content associated with other households as recited in claim 45. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claim 45 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

With respect to **claim 50**, Applicant respectfully submits that, similar to the discussion of claim 9 above, Owashi in view of Kim does not disclose or suggest encrypting, at a single house, media content based on an identifier corresponding to a plurality of smart cards as recited in claim 50. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claim 50 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

Given that **claims 52 and 53** depend from claim 50, Applicant respectfully submits that claims 52 and 53 are likewise allowable over Owashi in view of Kim and further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 50.

Claims 20, 25, 33, and 46 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Owashi in view of Kim and Handelman and further in view of U.S. Patent No. 5,805,204 to Thompson et al. (hereinafter "Thompson"). Applicant respectfully submits that claims 20, 25, 33, and 46 are not obvious over Owashi in view of Kim and Handelman and further in view of Thompson.

**Claims 20, 25, 33, and 46**, depend from claims 16, 21, 29, and 45, respectively. Applicant respectfully submits that each of claims 16, 21, 29, and 45 is allowable over Owashi in view of Kim as discussed above. Handelman and Thompson are not cited as curing the deficiencies of Owashi in view of Kim discussed above with respect to claims 16, 21, 29, and 45, and Applicant respectfully submits that Handelman and Thompson do not cure these deficiencies

of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claims 20, 25, 33, and 46 are allowable over Owashi in view of Kim and Handelman and further in view of Thompson.

Claims 3, 4, 15, 17, 22, and 24 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Owashi in view of Kim and Handelman and further in view of U.S. Patent No. 5,744,787 to Teicher (hereinafter "Teicher"). Applicant respectfully submits that claims 3, 4, 15, 17, 22, and 24 are not obvious over Owashi in view of Kim and Handelman and further in view of Teicher.

Claims 3 and 4 depend from claim 1, claim 15 depends from claim 9, claim 17 depends from claim 16, and claims 22 and 24 depend from claim 21. Applicant respectfully submits that each of claims 1, 9, 16, and 21 is allowable over Owashi in view of Kim as discussed above. Handelman and Teicher are not cited as curing the deficiencies of Owashi in view of Kim discussed above with respect to claims 1, 9, 16, and 21, and Applicant respectfully submits that Handelman and Teicher do not cure these deficiencies of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claims 3, 4, 15, 17, 22, and 24 are allowable over Owashi in view of Kim and Handelman and further in view of Teicher.

Claim 54 stands rejected under 35 U.S.C. §103(a) as being unpatentable over Owashi in view of Kim, Handelman, and Adams, and further in view of U.S. Patent No. 5,841,119 to Rouyrre et al. (hereinafter "Rouyrre"). Applicant respectfully submits that claim 54 is not obvious over Owashi in view of Kim, Handelman, and Adams, and further in view Rouyrre.

**Claim 54** depends from claim 50. Applicant respectfully submits that claim 50 is allowable over Owashi in view of Kim, Handelman, and Adams as discussed above. Rouyrre is not cited as curing the deficiencies of Owashi in view of Kim, Handelman, and Adams as discussed above with respect to claim 50, and Applicant respectfully submits that Rouyrre does not cure the deficiencies of Owashi in view of Kim, Handelman, and Adams. For at least these reasons, Applicant respectfully submits that claim 54 is allowable over Owashi in view of Kim, Handelman, and Adams, and further in view Rouyrre.

Applicant respectfully requests that the §103 rejections be withdrawn.

**Conclusion**

Claims 1-22, 24-36, 38-46, 50, and 52-57 are in condition for allowance. Applicant respectfully requests reconsideration and issuance of the subject application. Should any matter in this case remain unresolved, the undersigned attorney respectfully requests a telephone conference with the Examiner to resolve any such outstanding matter.

Respectfully Submitted,

Date: July 11, 2003

By: 

Allan T. Sponseller  
Reg. No. 38,318  
(509) 324-9256